Australia⁵⁴

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N.B. Australia is a federation of 6 states and 2 territories.

Note on the federal division of power and industrial relations systems: In the Australian federation, minimum employment conditions for most employees are set by national (Commonwealth) legislation: this includes the entitlement to unpaid parental leave, which is one of eleven National Employment Standards under the Fair Work Act 2009 (Commonwealth). Minimum conditions for employees under other jurisdictions (e.g., the public service employees of state governments) are set within the relevant state jurisdictions and may exceed those provided at the national level. In all jurisdictions, terms and conditions of employment are set through a combination of legislation and awards (prescriptive industrial instruments covering specific industries or occupations and determined by industrial tribunals). In addition, conditions may be extended in collective agreements (called Enterprise Agreements) made between the employer and labour union and in employer or company policies.

For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>cross-country tables</u> at the front of the review (also available individually on the <u>Leave Network website</u>). To contact authors of country notes, see the <u>members</u> page on the Leave Network website.

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1. Current leave and other employment-related policies to support parents

Note on terminology:

In Australian national legislation 'Parental leave' is an overarching, gender-neutral term for leave entitlements in association with the birth or adoption of a child, rather than a separate entitlement in addition to Maternity and Paternity leave.

The terms 'primary carer', 'secondary carer' and 'tertiary carer' are also used in legislation and in some employer schemes. Primary carer usually refers to the birth parent (mother), secondary carer to the other parent (father or same sex partner) and tertiary carer to a grandparent or other person who has taken on the care of the infant.

a. Maternity leave

- In Australian national legislation there is no separate statutory entitlement to 'Maternity' leave.
- Mothers have access to unpaid Parental leave under the Fair Work Act 2009 (see 1c for details).
- Mothers also have access to Parental Leave Pay under the Paid Parental Leave Act 2010 (see 1c *Payment and funding*).
- Specific entitlements to Maternity leave payments may, however, be provided by employers. Employer-paid Maternity leave, usually at wage replacement level, may be available to female employees through industrial instruments (awards and collectively-negotiated enterprise agreements), company policies, or legislation covering public sector employees in Australia's national, state or territory jurisdictions.
- Employer terminology varies in relation to paid leave entitlements, with labels including primary and secondary carer leave as well as Maternity, Paternity, or Parental leave. As these distinctions are not consistently captured in survey data, we do not report estimates for the prevalence of employer-paid Maternity leave here.

b. Paternity leave

- As with Maternity leave, there is no separate 'Paternity' leave entitlement in Australian national legislation. Fathers or partners have access to the unpaid Parental leave provisions of the Fair Work Act 2009 (see 1c for details).
- Fathers also have access to Parental Leave Pay under the Paid Parental Leave Act 2010 (see 1c *Payment and funding*).
- Employer-paid Paternity leave may also be available to some fathers and partners through company policies, industrial instruments (awards and collectively-negotiated enterprise agreements), or legislation covering public sector employees in Australia's various jurisdictions. As the data limitations noted above for employer-paid Maternity leave apply also to Paternity leave, we do not report estimates for employer-paid Paternity leave here.

 We do know, however, that 42 per cent of employers with 100 or more employees provide paid parental leave that differentiates primary and secondary carers and 21 per cent of employers with 100 or more employees provide universal carer leave, that is, a leave that does not differentiate between maternity/paternity or primary/secondary carer status. Secondary carer leave is predominantly taken by fathers.⁵⁵

c. Parental leave (responsibility of the Department of Social Services (for payments) and the Department of Employment and Workplace Relations (for law))

Length of leave

- A National Employment Standard in the Fair Work Act 2009 provides each working parent who meets the eligibility requirements with an entitlement to 12 months' unpaid job protected Parental leave. This is an individual entitlement but (apart from the exception noted below) cannot be taken by both parents simultaneously. If both parents are entitled to this leave, they could each take 12 months sequentially, with a maximum of 24 months available for a working couple per birth. If one parent takes less than their entitlement, the other parent can request to extend their leave by an equivalent amount (up to 12 months extra, if their partner takes no leave). Such an extension is only possible if the employer agrees – an employer has the right to refuse if the additional leave does not fit with the operational requirements of the business. Any agreement for an additional period of leave beyond the first 12 months will reduce the other parent or partner's entitlement by an equivalent amount. All leave must be taken within 24 months of the child's birth. For the mother, the leave can start from the date of the birth or adoption of the child, or from up to 6 weeks before the expected date of birth of the child, or earlier if the employer agrees.⁵⁶
- When both members of a couple are entitled to unpaid Parental leave under the National Employment Standard, they can take eight weeks of this leave at the same time.
- Thirty days of the 24 month leave period, starting at date of birth or adoption, can be taken flexibly. This period, known as 'Flexible unpaid parental leave', is available to both parents and can be taken in a single continuous period or separate periods of one or more days.
- Paid leave entitlements, such as employer-provided Parental leave if available to employees through their employment conditions, and other forms of paid leave, such as annual (vacation) leave, can also be used. However, for each period of paid leave used, the unpaid Parental leave

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⁵⁵ https://www.wgea.gov.au/data-statistics/data-explorer Accessed 2 April, 2024.

⁵⁶ The Fair Work Act 2009, at section 80, also provides for 'unpaid special maternity leave', which is available to an employee with a pregnancy-related illness or whose pregnancy ends after 12 weeks of gestation otherwise than in the birth of a living child, although not with a 'stillbirth' as defined in the Act (other provisions apply in cases of stillbirth). For further details, see 1c, Variation in leave due to child or family reasons.

entitlement is reduced by the same amount, so that the maximum time available for Parental leave per working couple is still 2 years.

Payment and funding

- One hundred days or 20 weeks of Parental Leave Pay is available under the Paid Parental Leave Act 2010, funded through general revenue. (The formerly separate Dad and Partner Pay of two weeks was combined with the 18 weeks of Parental Leave Pay to create 20 weeks, or 100 days.)
- Parental Leave Pay is paid to eligible parents at a rate based on the national minimum wage (currently AUD\$23.23 [€14.45]⁵⁷ per hour or AUD\$882.80 [€549.14] per 38-hour week⁵⁸) for up to 20 weeks following the birth or adoption of a child.
- The weekly payment rate was equivalent to 47 per cent of average weekly ordinary time earnings in November 2023.⁵⁹
- Parental Leave Pay can be received during unpaid leave or while on paid leave, such as employer-paid Parental leave or annual leave. The majority of mothers (or designated primary carers) receive the government Parental Leave Pay via their employer⁶⁰, while others receive it directly from the government. Employers can opt to top up an employee's statutory parental leave pay to their full wage, but few employers do.⁶¹
- All forms of paid parental leave (government and employer-funded entitlements) are taxed.
- In Australia, retirement benefits are based on superannuation (contributions to an individual account paid by a mix of employee and employer contributions) and a publicly-funded Age Pension that is means-tested and not linked to paid workforce participation. It is compulsory for employers to make contributions to eligible employees' superannuation funds and additional voluntary contributions by employees are encouraged through tax concessions. These contributions continue when employees take most forms of paid leave. Currently, no superannuation contributions are made by the government while parents are on unpaid Parental leave or in receipt of Parental Leave Pay. These arrangements disproportionately disadvantage

⁵ As of 1 July 2023. The rate is adjusted annually. See https://www.fairwork.gov.au/pay-and-wages/minimum-wages#national Accessed 2 April 2024.

⁵⁷ Conversion of currency undertaken for 15 July 2024, using: https://data.ecb.europa.eu/currency-converter.

ABS. https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/average-weekly-earnings-australia/latest-release. Accessed 2 April 2024.

⁶⁰ Employers are required to deliver the payment when it is for Australia-based employees who have worked with them for 12 months before the expected date of birth or adoption, who will be with them for their Parental Leave Pay period and who are expected to receive at least eight weeks of Parental Leave Pay.

⁶¹ Baird, M., Hamilton, M., & Constantin, A. (2021) 'Gender equality and paid parental leave in Australia: A decade of giant leaps or baby steps?' *Journal of Industrial Relations*, Vol.63, 4: 546–567

women, the main recipients of Parental leave and pay entitlements. (This will change from 1 July 2025 - see Section 3).⁶²

Flexibility in use

- <u>Unpaid Parental leave</u> under the National Employment Standard in the Fair Work Act must be taken in one continuous period, except as noted in the following.
- Where both parents are eligible for the 12 months unpaid Parental leave entitlement, they cannot access leave at the same time except for a period of up to eight weeks, when the parent who is not the primary carer can take leave concurrently with the primary carer. These eight weeks may be taken in separate periods any time during the first 12 months.
- From November 2020, changes to the Fair Work Act 2009 meant that eligible employees can use up to 30 days of their unpaid parental leave *flexibly* at any time within 24 months commencing on the date of the child's birth or adoption. This leave can be taken in a single continuous block or in separate periods of one or more days each. However, the total duration of unpaid Parental leave for an individual employee remains 12 months (or up to 24 months if partner has not used their unpaid parental leave and with agreement of employer); the difference is that up to 6 weeks of that 12 months period of leave can be taken flexibly in the second year following the birth of the child.
- For <u>Parental Leave Pay</u>, within couples, 10 days or 2 weeks is reserved for each parent on a 'use it or lose it' basis. This means that each parent can use at most 90 of the 100 days, with the remaining 10 days reserved to share with the other parent if they are eligible. That is, if the birth mother is eligible for Parental Leave Pay, she can choose to use the 100 days of Parental Leave Pay, but if she has a partner she cannot use more than 90 days.
- Each parent can take up to 10 days of the Parental Leave Pay concurrently, that is, at the same time.
- Partners can only access a share of Parental Leave Pay if they themselves are eligible and the birth parent meets the work test. That is, fathers cannot access a share of Parental Leave Pay if mothers have not met the work test for Parental Leave Pay⁶³.
- From 1 July 2023 recipients of Parental Leave Pay can use their parental leave entitlements flexibly to take PPL days in blocks of a day at a time with periods of work in between.

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⁶² https://www.wgea.gov.au/data-statistics/data-explorer

⁶³ This description of these changes was originally reported in Baxter, J. & Budinski (2023). Parental Leave Pay and Dad and Partner Pay: Patterns of use. AIFS Research Report. Melbourne: AIFS

For unpaid Parental leave:

- Employees in permanent positions and on fixed-term contracts (full- or part-time) are eligible for the unpaid statutory leave provisions under the Fair Work Act 2009 and to return to that same job, provided they have 12 months' continuous service with the same employer immediately before the date or expected date of birth, or the date of placement in the case of adoption. However, workers on fixed-term contracts are not entitled to return to the same job if their contract ends while they are on leave that is, the employer is not required to extend the contract period by the amount of leave taken.
- Casual (hourly paid and not permanent) employees are also eligible for the above entitlements if they have been employed on a regular and systematic basis for at least 12 months and have a reasonable expectation of continuing regular employment.
- Self-employed workers (not classified as employees) and the unemployed are not covered by the provisions of the Fair Work Act 2009 and therefore do not receive unpaid Parental leave under the act.
- Spousal, de-facto relationships (both heterosexual and same sex)⁶⁴ are recognised for unpaid Parental leave entitlements under the Fair Work Act 2009.

• For paid <u>Parental leave</u>:

- The parent with primary care of the child (usually the mother) must be an Australian resident and meet the requirements of a work test. The work test requires engagement in work continuously, with no more than a 12-week gap between any two consecutive working days, for at least ten of the 13 months prior to the expected birth or adoption of the child, with at least 330 hours of paid work undertaken in the ten-month period. This work can be in permanent, fixed-term or casual positions.
- Self-employed workers who meet the same criteria as employed parents have access to Parental Leave Pay under the national scheme.
- Government-funded Parental Leave Pay is restricted to couples with a family income limit of AUD\$350,000 [€217,715.85] adjusted taxable income (ATI) or an individual income limit of AUD\$156,647 [€97,441.53] per year.
- The government-funded Parental Leave Pay can be taken in addition to other forms of paid leave to which the employee may be eligible (annual (vacation) leave, long service leave, or employer-funded Parental leave).
- Parents who are not in work are not eligible for Parental Leave Pay but may be eligible for the Newborn Upfront Payment (currently AUD\$641 per child [€398.73]) and a Newborn supplement paid for up to 13 weeks (dependent on family income and number of children, with a current maximum payment of AUD\$1,924.65 [€1,197.22] over 13 weeks for a first child). Neither of these payments are taxable.

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⁶⁴ Co-residency is not specified as a requirement in the legislation. However, as leave cannot be taken simultaneously and must be taken in a continuous block (apart from the exceptions noted earlier) it would be difficult for a non-co-resident couple to share the

Variation in leave due to child or family reasons (e.g., multiple or premature births; poor health or disability of child or mother; single parent); or delegation of leave to person other than the parents

- From November 2020, changes to the Fair Work Act 2009 extended the
 entitlement to 12 months' unpaid Parental leave to allow employees who
 would have been eligible in the case of a live birth to retain the entitlement
 in the case of a stillbirth. The definition of a stillborn child in the Act includes
 a period of gestation of at least 20 weeks.
- Special unpaid Maternity leave may be taken in cases of pregnancy-related illness or if the pregnancy ends after a period of gestation of at least 12 weeks other than by the birth of a live child, but is not stillborn (as defined in the Act). Mothers who use special Maternity leave (for example, due to a pregnancy-related illness) are still entitled to the full 12 months' unpaid Parental leave under the Fair Work Act.

Additional note (e.g., if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

- Employer-paid Parental leave, sometimes called 'Universal Carer Leave' or differentiated as paid Maternity, Paternity or Primary and Secondary Carer Leave, is available in some industrial instruments (awards or collectively negotiated enterprise agreements) and company policies. As explained earlier, these provisions are usually at full replacement salary and on this measure exceed national statutory entitlements.
- The Australian Workplace Gender Equality Agency (WGEA) records provision of 'Universal Carer', 'Primary Carer' and 'Secondary Carer' paid Parental leave by private sector organisations with 100 or more employees. It reported that 63 per cent of these organisations provided paid parental leave for an average duration of 12 weeks.
- A majority (84 per cent) of employer-funded primary carer leave providers pay their employees' superannuation while they are on employer-funded leave.
- There are no current or trend data available for organisations with fewer than 100 employees.
- Flexibility is sometimes available with employer-paid Parental leave: while
 this is usually paid at the employee's normal pay rate, in some cases there
 are provisions to double the duration of their leave by taking the leave at half
 pay.

d. Childcare leave or career breaks

No statutory entitlement.

e. Other types of leave and flexible working

Adoption leave and pay

 The same statutory rights to unpaid Parental leave and Parental Leave Pay apply when a child under 16 years old is adopted, however Parental Leave Pay may not be available in cases where a child has been living with the adoptive parents prior to the adoption (for example, with the formal adoption of a step-child).

Time off for the care of dependants

- Under the National Employment Standards of the Fair Work Act 2009 all employees (except casuals) have access to up to ten days of paid personal/carer's leave per year of service, reduced for employees with fractional appointments on a pro rata basis.
- Paid personal/carer's leave includes both 'sick' and 'carer' leave and may be taken because of a personal illness, or to provide care or support to a member of the employee's immediate family or household who is ill or injured, or in the case of an unexpected family emergency.
- In addition, all employees (including casuals) can access up to two working days' unpaid carer's leave for each 'permissible occasion,' provided paid personal leave has been exhausted.
- Unpaid carer's leave may be taken to provide care for an immediate family or household member due to illness, injury, or an emergency.

Specific provision for (breast)feeding

- Neither national nor state/territory laws provide an explicit right to paid breaks for breastfeeding or to express milk at work. However, the right not to be discriminated against on the basis of sex exists in all Australian jurisdictions, explicitly or implicitly covering breastfeeding.⁶⁵
- A survey of private organisations with 100 or more employees indicated that 68.8 per cent reported providing breastfeeding facilities in 2021 but did not provide details on the nature of the facilities⁶⁶. The proportion increased significantly from 2013-14, when only 45 per cent of organisations reported such arrangements.⁶⁷
- The Commonwealth Sex Discrimination Act 1984 (s7AA) expressly prohibits employers from treating women less favourably because of their breastfeeding or expressing of milk, and from imposing a condition or practice likely to have the effect of disadvantaging such women.

⁶⁵ Australian Human Rights Commission (2014) 'Supporting Working: Pregnancy and Return to Work', *National Review - Report*: 116. Available at:

https://www.humanrights.gov.au/sites/default/files/document/publication/SWP Report 2 014.pdf

⁶⁶WGEA, Data Explorer: http://data.wgea.gov.au/industries/1#carers content

⁶⁷ WGEA (2022) Australia's gender equality scorecard, 29.

Flexible work arrangements

- One of the eleven National Employment Standards contained in the Fair Work Act 2009 provides a statutory right to request flexible working arrangements, in relation to hours of work, location of work (i.e. a closer business location or working from home) and pattern of work (i.e. job sharing, working split shifts, etc).
- The range of employees entitled to request such arrangements includes employees with caring responsibilities, that is parents or guardians of children who are school age or younger, as well as employees with a family member with a disability or chronic illness, employees aged 55 years or over, and employees experiencing family violence or caring for a family or household member who is experiencing family violence.
- While previously an employer was able to refuse a request on 'reasonable business grounds' and the right was not enforceable by any third-party body, this changed in 2023.
- From 6 June 2023, there was an expansion of the grounds under which a person has a right to request flexible work to include employees who are pregnant. The changes also introduced a clear and transparent process that employers must undertake in considering a request and a new role for the Fair Work Commission (the national industrial relations tribunal) in dealing with a dispute between an employer and employee about a request. This will include mediating and conciliating, or mandatory arbitration if a solution cannot be found.⁶⁸
- Awards and collective agreements are required to include provisions for employers to consult with employees over any proposed changes to rosters and ordinary working hours, and to consult genuinely with employees about the impact of changes on their family and caring responsibilities.

Transfer to safe job

Transfer to safe joi

• All pregnant employees, regardless of period of service, have the entitlement to be transferred to a safe job. If no safe job is available, an entitlement to 'paid no safe job leave' is available for those eligible for unpaid Parental leave, while those not eligible for unpaid Parental leave are entitled to 'unpaid no safe job leave'.

 From 1 January 2020, a Dangerous Jobs provision has been introduced for women working in areas such as mining or heavy manufacturing, so that the date they stop work is no longer calculated as the expected date of birth, but as the date at which work stopped due to safety reasons. Parental Leave Pay recipients still have to meet the work requirements prior to the date of stopping work.

⁶⁸ Australian Government, Department of Employment and Workplace Relations (2022) *Job security and gender equality: Right to request flexible working arrangements*. Available at: https://www.dewr.gov.au/download/14739/right-request-flexible-work-arrangements/31681/right-request-flexible-work-arrangements/pdf

Domestic and Family Violence Leave

- One of the National Employment Standards of the Fair Work Act is paid domestic and family violence leave. All employees (full-time, part time and casual) are entitled to 10 days paid domestic and family violence leave per year. To be eligible they must be experiencing family or domestic violence.
- As with annual leave, or paid sick leave, it is paid by the employer at the employee's normal salary or wage level.
- The leave can be taken as a continuous 10 day period, in periods of one day, or less by agreement between the employee and the employer.

2. Relationship between leave policy and early childhood education and care policy

There is no formal or legislated relationship between leave policy and ECEC policy in Australia. Parental leaves are legislated and implemented by both governments and employers completely independently from ECEC policy.

There is no universal entitlement for children to an ECEC place. ECEC providers operate in the private, community and government sectors, with approved providers delivering child care that can be subsidised through the (national) Child Care Subsidy, described below. Different supports and funding concern preschool (nursery) education in the one or two years before full-time school, with arrangements varying by jurisdiction. An agreement between all Australian states and territories (the Preschool Reform Agreement, previously the Universal Access National Partnership agreements) focuses on improving access to 15 hours of quality nursery education for children in the year before compulsory schooling (i.e., from around age 5 years).

For those using an approved ECEC service, eligibility for the Child Care Subsidy (CCS) depends on family income, the activity level of both parents (described further below), the type of service used and the number of children aged 5 years or younger. Changes to the CCS were introduced in July 2023 that increased the rate of subsidy for families with incomes less than \$530,000 per year. From this time, if families have more than one child aged 5 or under using an ECEC service, higher subsidy rates apply for second or subsequent children aged 5 years or under, so there are two tiers of subsidy and there are different family income tests for the "standard" subsidy and the "higher" subsidy. The standard subsidy rate is highest (90 per cent) for lower income families (family income up to AUD\$80,000 [€49,763.62]), decreasing in steps to a subsidy rate of zero for the highest income families (family income of AUD\$530,000 [€329,684.00] or more). The higher subsidy rate for second or subsequent children aged up to 5 years has more steps between the 95 per cent higher subsidy for family incomes up to AUD\$138,118 [€85,915.65], down to 50 per cent for family incomes of AUD\$362,408 [€225,434.19]. If family income is greater than AUD\$362,408 [€225,434.19] the standard rates apply for all children up to 5 years.

Using the subsidy rate, CCS is calculated as a percentage of childcare fees, up to a maximum rate cap established for each service type. With some exceptions, both parents (or a single parent) are required to meet an activity threshold of at least eight hours per fortnight in order to receive CCS. Further, the number of hours of activity beyond this threshold determines how many hours are subsidised. In two parent families it is the lower of the two parents' activity hours that matters. For example, a total of eight to 16 hours of approved activity per fortnight is associated with a maximum of 36 hours of care being subsidised per child per fortnight. If the approved activity total is more than 48 hours per fortnight, the child's care can be subsidised for up to 100 hours per fortnight. Parents can use more than the amount of care they are subsidised, but they will pay the full fee to the child care service for amounts beyond what is subsidised.

Being in paid work is an 'approved activity'. Being on paid or unpaid Parental leave also counts as an approved activity. However, parents who have left work but are not on any form of leave need to meet the activity test through other means in order to access CCS, for example through study or volunteering. Other approved activities include working unpaid in a family business, being self-employed, looking for work, volunteering, or studying.⁶⁹

There are exemptions to the activity test as part of the Child Care Safety Net. Through this, low-income families (up to AUD\$80,000 [€49,763.62] per year) can access 24 hours of subsidised care per child per fortnight, without having to meet the activity test. Aboriginal and Torres Strait Islander children can also access at least 36 hours of CCS per fortnight when parents do not meet the activity test. There are some other exemptions to the activity test through the Child Care Safety Net that give vulnerable families access to up to 100 hours of subsidised care per fortnight.⁷⁰

For ECEC attendance levels, see 'relationship between leave and ECEC entitlements' in the cross-country tables at the front of the review.

3. Changes in policy since April 2023 (including proposals currently under discussion)

After the change of government in May 2022, the new Labor Government announced a strong policy focus on improving gender equality and increasing women's workforce participation. As a consequence, the Paid Parental Leave scheme has undergone a significant reconfiguration, as discussed above, and further change is legislated to occur each year until 2026.

⁶⁹ For evaluation of the Child Care Package, including information on the introduction of the Child Care Subsidy and findings related to the activity test, see Australian Institute of Family Studies (2022) *Child Care Package Evaluation: Final Report*. Available at: https://aifs.gov.au/publications/child-care-package-evaluation-final-report

⁷⁰ Exemptions for Child Care Subsidy - Child Care Subsidy - Services Australia

Parental leave

In relation to Parental Leave Pay, changes in legislation came into effect from 1 July 2023. As a result of the changes, the previous two payments – 18 weeks' Parental Leave Pay and 2 weeks' Dad and Partner Pay – were combined into a single 100 days, 20 week family entitlement that can be used in periods of one day at a time and accessed any time within two years after the child's birth or adoption.

Under the new arrangements, which continue to be paid at the National Minimum Wage, single parents now have access to the full 100 days, 20 weeks, rather than 18, weeks of payment.

For couples (including same-sex couples) two weeks is reserved for each parent/claimant, with the remaining 16 weeks to share as they choose, but only two weeks can be taken concurrently.

From 1 July 2023, the categories of 'primary' and 'secondary' claimant were removed as was the requirement that the primary claimant of Parental Leave Pay must be the birth parent, so that a father or partner may claim the payment directly rather than requiring the transfer of the payment from the birth mother.

The government will also extend the duration of Parental Leave Pay by two weeks on 1 July each year: 2024, 2025 and 2026 so that the total length will be 26 weeks by 2026.

The reserved portion will be increased by one week each year from 1 July 2025 to reach 4 weeks from 1 July 2026. The days that can be taken concurrently by parents will be 4 weeks by 1 July 2025.

In March 2024 the government announced that from 1 July 2025 it will pay superannuation on Parental Leave Pay.

Early childhood education and care

As described above, the Childcare Subsidy changed from July 2023. The result of the changes is that all families with incomes below AUD\$530,000 experienced a rise in the rate of subsidy received after July 2023. A higher subsidy rate was introduced for families with more than one child aged under five years. Further, changes to the activity test mean that Aboriginal and Torres Strait Islander children can access 36 hours of subsidised child care even if parents do not meet the activity test.

4. Uptake of leave

Information on take-up rates is limited in Australia. The number of recipients of Parental Leave Pay and Dad and Partner Pay is published in the annual reports of the Australian Government Department of Social Services (see 4b and 4c). These reports no longer include an estimate of take-up). Take-up rates for the unpaid Parental leave entitlement under the National Employment Standard in the Fair Work Act 2009 are not regularly estimated either. The figures presented in 4c are based on recently published research using administrative data linked to the 2021

Australian Census of Population and Housing ("the Census", 10 August 2021) data.⁷¹

a. Maternity leave

As explained above (1a), the term 'Maternity leave' is not used in Australia for the national statutory entitlements to unpaid Parental leave or Parental leave payments. It is still used in some instances in employer-paid schemes (though the language of primary and secondary carer leave, rather than maternity and paternity leave, has been common but is also now changing). However, (as noted above) take-up estimates are precluded by data limitations.

b. Paternity leave

As with employer-paid Maternity leave, the take-up of employer-paid Paternity leave schemes is not reported in this country note due to data limitations. Regarding the government-funded Dad and Partner Pay scheme, the Australian Government reported that in the financial year 1 July 2022 to 30 June 2023, 88,643 fathers or partners received payment under this scheme, with the vast majority taking the full two weeks' payment. 72 This number was lower than the 97,863 recipients in the 2021-22 financial year. Baxter and Budinski (2023) found that of all fathers with a child aged under 1 year old at the time of the 2021 Census, about one per cent were receiving Dad and Partner Pay at the time. This is not a complete take up measure, as some of these fathers will have used Dad and Partner Pay when their children were younger. Baxter and Budinski's work showed that Dad and Partner Pay is most often used in the initial 2 months following the birth. Their analysis showed that fathers with a certificate or diploma qualification are over-represented in the population of new fathers using Dad and Partner Pay, likely indicating these fathers have limited access to employer-funded parental leave.

c. Parental leave

Available data on take-up rates for Parental Leave Pay are also limited, although the number of claimants has been consistently tracked. Government figures indicate that in the financial year 1 July 2022 to 30 June 2023, 171,282 claimants received some Parental Leave Pay and that 98.5 per cent took the full 18 weeks.⁷³ This was less than the 178,778 recipients in the previous year.⁷⁴

Baxter and Budinski's (2023) research using the linked administrative and Census data found that 21 per cent of mothers with an under one year old were receiving Parental Leave Pay at the time of the Census. Mothers were most likely to be

⁷¹ <u>Baxter</u> and Budinski (2023) *Parental Leave Pay and Dad and Partner Pay: Patterns of Use.* Melbourne: AIFS. Available at: <u>Parental Leave Pay and Dad and Partner Pay: Patterns of use | Australian Institute of Family Studies (aifs.gov.au)</u>

⁷² Australian Government Department of Social Services (2023) *Annual Report, 2022-23*. Available at: Department of Social Security Annual Report 2022-23 (dss.gov.au)

⁷³ Ibid

⁷⁴ Ibid

receiving Parental Leave Pay when their youngest child was 2–4 months old, with 40–44 per cent of mothers receiving Parental Leave Pay at this time. Also, 33 per cent were receiving Parental Leave Pay when their youngest child was up to one month old.

Almost all recipients of Parental Leave Pay are mothers. Among the Parental Leave Pay recipients, compared to the new mother population, there was under-representation of single mothers, mothers with larger families, younger mothers, mothers with lower levels of educational attainment, and overseas-born and Aboriginal and/or Torres Strait Islander mothers.

Further insights come from the gender breakdown of users of primary carer's leave in private sector organisations with more than 100 employees, as provided by WGEA: in 2022-23, 86 per cent of users were women and 14 per cent were men.⁷⁵ The proportion of primary carer leave in such organisations that is used by men has increased since 2015-16, when the split was 95 per cent women and 5 per cent men.⁷⁶

d.Other employment-related measures

No information available.

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⁷⁵ WGEA (2023) *Australia's gender equality scorecard, 28*. Available at: <u>Australia's Gender</u> Equality Scorecard 2022-23 (wgea.gov.au)

⁷⁶ Based on WGEA data as published in Australian Bureau of Statistics (2020) *Gender Indicators, Australia, December 2020* Cat. No. 4125.0. Available at: https://www.abs.gov.au/statistics/people/people-and-communities/gender-indicators-australia/latest-release#data-download